

Resolution # TC – 1864

Allocation of FASTER funds for Local Transit Grants

May 20, 2010

WHEREAS, pursuant to 43-4-811 (2) the Department will receive five million dollars from the FASTER program for state fiscal year 2009-10 and for each succeeding state fiscal year, to be used by the Transit and Rail Division “to provide grants to local governments for local transit projects;” and
WHEREAS, the Transportation Commission of Colorado has considered a variety of options for how these funds could be distributed and awarded; and

WHEREAS, the Transportation Commission considered geographical equity in the distribution of funds, resource allocation policies, and the ability to reasonably manage the new grant program; and

WHEREAS, after thorough review of the various options, the Commission selected an option identified as the “regional allocation and prioritization process” option; and

WHEREAS, the selected option calls for a regional distribution of the FASTER funds by formula and project prioritization using existing planning processes during the upcoming STIP development process;

NOW THEREFORE BE IT RESOLVED, staff is hereby directed to distribute FASTER Local Transit Grant funds through a regional allocation and prioritization process using the following guidelines:

- A. Project eligibility shall be limited to items defined as “capital expenses” by the Federal Transit Administration, with the exception of land purchases and office-related equipment. Operating, administrative and planning expenses will not be eligible for funding.
- B. The minimum project request shall be \$100,000. Exceptions may be granted for smaller rural projects and smaller vehicles, at a minimum of \$25,000.
- C. Eligible applicants shall be limited to public agencies and public or private nonprofit organizations that offer either public transportation or transportation for the elderly and disabled that is “open door” service, which refers to service available to any elderly or disabled person in need and not limited to a particular clientele or facility. Organizations that do not offer “open door” specialized service, as well as commercial intercity operators, are not eligible applicants but may apply through an eligible applicant; the eligible applicant in such a case would be the responsible grant recipient if funds were awarded.
- D. The FASTER funds may be used to fund up to 80% of project costs, and all awards would require a minimum local match of 20%.
- E. The FASTER funds may be used to match a federal grant, providing up to 80% of the required local match for the federal grant; however, the grant recipient will be required to sign a Maintenance of Effort agreement committing not to reduce its local contribution to its transit program as a

result of receiving the matching funds and to provide documentation of such effort.

- F. The requested projects will be evaluated, prioritized and programmed by the CDOT Regions during the STIP development process, in cooperation with the state's fifteen Transportation Planning Regions (TPRs) and Metropolitan Planning Organizations (MPOs). In addition, the current STIP will be amended to add projects for 2010 and 2011, using funds being made available for those two years by the FASTER legislation.
- G. The CDOT Regions, working cooperatively with the state's fifteen Transportation Planning Regions (TPRs) and Metropolitan Planning Organizations (MPOs), would be encouraged to use the following criteria, in this priority order, when considering and prioritizing projects:
 - 1. Criticality
 - 2. Financial capacity
 - 3. Financial need
 - 4. Project impacts
 - 5. Readiness
- H. FASTER local grant funds will be distributed to the Regions using a formula with three components: the existing HUTF distribution formula to cities and counties aggregated by CDOT Region; the most recent population estimate by CDOT Region; and, annual performance data of the public transportation systems within the CDOT Region, which shall consist of total ridership, vehicle miles, and vehicle hours, as listed in the National Transit Database or other database acceptable to the Department. The distribution formula shall be based on the following ratio: 40% HUTF, 30% population and 30% performance.
- I. This process will be evaluated after three years of funding to determine its effectiveness.
- J. Further clarification of these guidelines will be developed by the Division of Transit and Rail as needed.